

**MINUTES OF THE
COMMERCE AND WORKFORCE SERVICES
APPROPRIATIONS SUBCOMMITTEE**
Room 110, West Office Building, State Capitol Complex
January 16, 2008

MEMBERS PRESENT: Sen. Jon Greiner, Co-Chairman
Sen. Mark Madsen
Sen. Karen Mayne
Sen. Wayne Niederhauser
Rep. Sylvia Andersen
Rep. Jim Dunnigan
Rep. Craig Frank
Rep. Lynn Hemingway
Rep. Mark Wheatley
Rep. Larry Wiley

MEMBERS ABSENT: Rep. Michael Morley, Co-Chairman

STAFF PRESENT: Danny Schoenfeld, Fiscal Analyst
Karen Mitchell, Committee Secretary

Note: A list of handouts and visitors lists will be filed with committee minutes.

Co-Chair Sen. Greiner called the meeting to order at 9:21 a.m.

MOTION: Rep. Hemingway moved to approve the minutes of August 29, 2007. The motion passed unanimously. Sen. Mayne and Sen. Niederhauser were absent for the vote.

Danny Schoenfeld, Fiscal Analyst, provided handouts with information on the base budget bills and allocations and briefly explained them to the committee. The Analyst also furnished a copy of the Issue Brief for the 2007 General Session Appropriations. He explained that the Legislature appropriated \$449,118,300 to the seven agencies for the 2008 fiscal year: Alcoholic Beverage Control, Commerce, Financial Institutions, Insurance, Labor Commission, Public Service Commission, and Workforce Services. The General Fund appropriation of \$101,078,900 represents an increase of 7.6 percent from FY 2007. He stated that the State Office of Rehabilitation has been added to the committee this year.

Utah State Office of Rehabilitation

Don Uchida, Executive Director, explained to the committee the rehabilitation departments and their accomplishments. The departments are: Service for the Blind and Visually Impaired, Services to the Deaf and Hard of Hearing, Rehabilitation Services, Vocational Rehabilitation Program and Independent Living Program.

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Handouts were distributed to committee members.

Mr. Uchida responded to questions raised by committee members.

Financial Institutions

Michael Jones, Chief Examiner for Financial Institutions, briefed the committee on the responsibilities of his department. He responded to questions from the committee.

Darryl Rude, supervisor of industrial banks, responded to questions from the committee regarding the current status of industrial banks and their growth.

Mr. Jones provided a handout regarding the balanced scorecard for the department and explained it to the committee.

Frank Pignanelli, Trade Associate of Industrial Banks, thanked the regulators for the service they provide.

Department of Commerce

Francine Giani, Executive Director, discussed personnel issues that had been implemented throughout the year.

The committee requested information regarding the Narcotics Data Base. Ms Giani reported that Rep. Daw is sponsoring House Bill 119 which deals with modifications of the Controlled Substance Data Base. The Bill is scheduled to be presented during the session.

The committee questioned Ms. Giani regarding pawn shop fees.

Ms. Giani was assisted by Peter Anjewierden, Budget Director and Thad Levar, Deputy Director, in her presentation. A Balanced Scorecard for the Department of Commerce and a key chart were handed out to members of the committee. Ms Giani explained the key chart to the members.

Ms Giani responded to questions from committee members.

Insurance Department

Kent Michie, Commissioner of Insurance, distributed handouts to the committee.

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Tomi Ossana, Executive Director of HIPUtah, explained the purpose of HIPUtah is to provide reasonable access to health insurance for Utahns with serious medical conditions and are considered uninsurable. Current enrollment is 3,516 enrollees.

Ms. Ossana responded to questions from the committee regarding those eligible for benefits, premium amounts, and how those enrolled qualify for the program.

Neal Gooch, responded to a question from the committee.

Kent Michie, concluded by explaining the purpose of the department is to regulate the insurance industry, protect the consumer and have an interaction with insurance companies.

Labor Commission

Sherrie Hayashi, Labor Commissioner provided the committee with a handout. Ms. Hayashi explained the Labor Commission mission is achieving safety and fairness in Utah's workplace. She reported that an office in Southern Utah was opened last year.

Alan Hannebold, responded to a question from the committee.

David Lamb briefed the committee and reviewed the Balanced Scorecard.

The meeting was recessed for lunch at 12:02 p.m.

Sen. Greiner called the meeting to order at 2:06 p.m.

Department of Workforce Services

Kristen Cox, Executive Director, explained the goals of DWS: Innovation, employer success, customer service, prevention, global competitiveness.

Lynette Rasmussen discussed child care and education problems dealing with young teenage mothers and the problem of "children raising children".

Ms. Cox responded to a concern of the committee regarding eREP's cost and effectiveness.

Ms. Cox mentioned that the Balanced Scorecard had been distributed it to the committee and briefly explained parts of it to the committee.

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Department of Alcoholic Beverage Control

Dennis Kellen, Director, reported to the committee that a new state liquor store had been opened in St George.

Mr. Kellen responded to concern expressed by some members of the committee regarding the sale of "alco-pops".

Mr. Kellen and Leonard Langford explained to the committee that there are five State Liquor Commissioners appointed by the Legislature and approved by the Senate for four years on a rotating bases. The commissioners are paid \$60.00 a day plus mileage.

Public Service Commission

Ted Boyer, Director, assisted by Julie Orchard, Secretary, explained the responsibilities of the Public Service Commission: Oversee utility service, telephone, rocky Mountain Power, telecommunications to the deaf and hard of hearing. They are funded by fees collected by the utility companies.

MOTION: Rep. Hemingway moved to adjourn. The motion passed unanimously. Sen Greiner adjourned the meeting at 3:25 p.m.

Sen. Jon Greiner, Co-Chair

Rep. Michael Morley, Co-Chair